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ABSTRACT

This student booklet is tenth in an illustrated series of eleven learning activity packets for use in teaching job hunting and application procedures and the management of wages to secondary students. Two units are included in this packet: (1) listing the reasons for opening a savings account, the criteria for choosing a bank, and the different types of savings accounts; and (2) explaining how to open an account, make deposits and withdrawals, compute the balance, and use after-hour facilities. At the beginning of each unit there is a short introduction, then the student objectives are listed, followed by the text section. Suggested learning activities and a Check Your Knowledge quiz conclude the unit. Answers to these quizzes and exercises, as well as final examination ditto masters and answers, are appended as teacher's supplements. As needed, references are made in the text to material in the other booklets. (ELG)

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COOPERATIVE WORK EXPERIENCE LEARNING ACTIVITY PACKET

SERIES ON JOB ENTRY AND ADJUSTMENT

Packet Ten

BANKING MAKES CENTS: SAVINGS ACCOUNTS

A project of the Department of Industrial Education, University of Maryland
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BANKING MAKES CENTS

Some time ago, a young man named John Jones started a savings account with $1000. Every few months, John would go into the bank and find out how much interest he was getting. Each time he went in, he found he had a little bit more than he did the time before.

As time passed, John kept checking with the bank. After 10 years, John Jones' $1000 had grown into $4000. Once 50 years had passed, the account was worth $33,000. After 100 years, John's original $1000 had grown to over a million dollars--thanks to bank interest. At the age of 115, John Jones bought the bank!

As you can see, keeping your money in the bank makes sense. This Packet will discuss: 1) how to choose a place to save your money, 2) how to open a savings account and 3) how to use the account.

STUDENT OBJECTIVES

1

Once you have finished reading this section of the Packet, you should be able to:

- List 3 reasons for opening a savings account.
- List the 4 things you should consider before you open a savings account.
- Describe the 3 different types of savings accounts.

OPENING THE ACCOUNT

W.C. Fields loved to open savings accounts. In fact, every time W.C. rolled into a new town, he would head for the nearest bank and open an account. Since W.C. Fields was a vaudeville performer, and later a movie star, he was always moving around from one town to another. As soon as he had opened one savings account, he would forget about it and move on to another town.

Why Open An Account?

There are a number of reasons why W.C. Fields was so anxious to put his money into banks. Banks and savings and loans can provide you with a number of services which you would not get by

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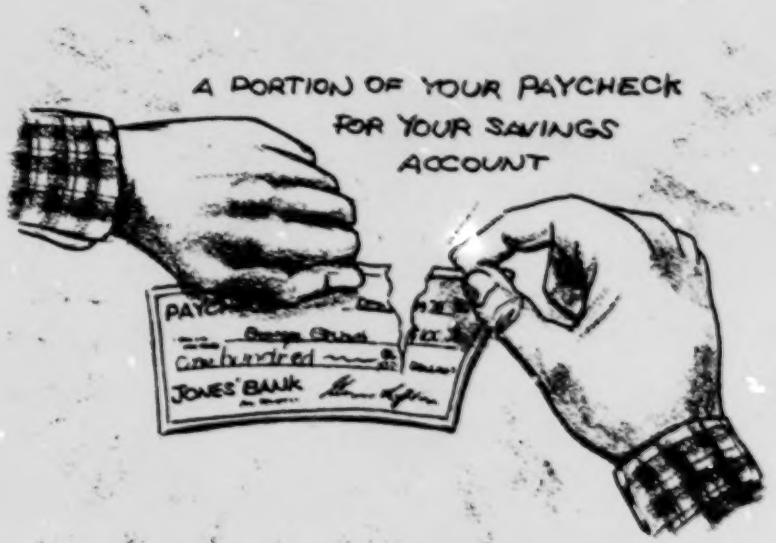
keeping your money at home in a sock.

The main advantage to keeping your money in the bank (or savings and loan) is that the bank actually pays you to do it. While your money is in the bank, it earns money for you. The money your money earns is called interest. And, the more you have in your account, the more money you will earn in interest. In one year, at 6% interest, $10 will earn you over 60¢, $100 will earn you $6 and $1000 will earn you over $60.

Here's another example: If you put aside ten dollars of each weekly paycheck, you will have approximately $267.80 saved after six months if you receive a six percent interest rate. If you keep this money at home in a sock, you will only have $260.00. By sitting in the bank, your money can earn you $7.80.

A second good reason for keeping your money in the bank is that it is safe there. If your money is stolen from you, or if you lose it, it is gone forever. However, it is safe in the bank--

even if the bank is robbed. A final reason for keeping your money in the bank is that it will be easier for you to build up a nice savings if you have an account. If you can put a small amount of money out of every paycheck into the bank, you will be much less likely to spend it than if you keep it at home.



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Which Bank is Best?

There are several things to consider before you choose a place to save your money.

1. Location. Choose a bank that is either close to your home or to where you work. A convenient location will make it easy for you to do your banking. You don't want to have to travel 20 miles out of your way to withdraw your money or make deposits. If you're not sure which banks are near you, look in the Yellow Pages under "banks" or "savings and loans."

2. Hours. Another point to consider is the hours that the bank or savings and loan will be open. Some companies are only open until 2 p.m., whereas others are open evenings. Some are only open during the week, and others keep Saturday hours. Try to choose a bank or savings and loan that keeps hours which are convenient for you. If you don't get out of school or work until 4 p.m., a bank that closes at 2 p.m. won't be of much help to you.

3. Interest. Interest is the amount of money the bank pays you so that it can keep your

money. Different banks and savings and loans pay different amounts of interest. This means that your account will grow faster in some banks than in others. There are two factors which determine how much interest your money will earn.

One factor is the interest rate. The higher the rate, the more interest your account will earn.

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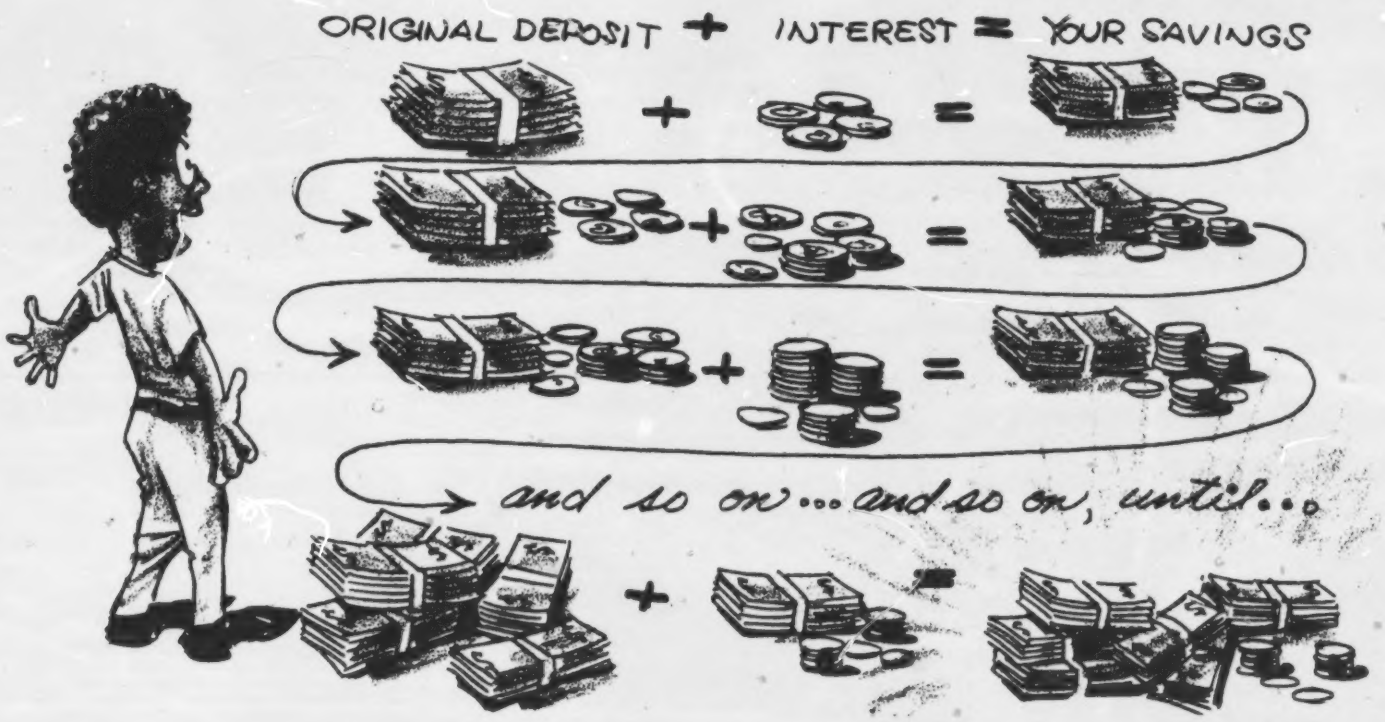
Banks are not allowed to pay you more than five percent interest on the money you have given them. Savings and loan associations, however, can pay you an interest rate of up to six percent on the money you have deposited.

Suppose you deposit $100 in a bank that has an interest rate of five percent and you deposit $100 in a savings and loan account which gives you an interest rate of six percent. At the end of one year, you would have a total of approximately $106.06 in your savings and loan account and $105.05 in your bank account.

The second thing that determines how much interest you will receive is how often the interest is compounded. When your interest is compounded, it means that you receive interest on the actual money



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you have deposited, plus on the interest you have already received (called accrued interest). The faster your interest accrues, the more money you end up earning interest on. Banks vary on how often they compound interest. Interest can be compounded daily, monthly, quarterly or annually. The more frequently interest is compounded, the faster it accrues, and the more money you make. Interest compounded daily is the best kind to have, since your interest builds up the fastest, and so then does your account.

4. The fourth thing to consider before choosing a bank is the minimum initial deposit required. The initial deposit is the first deposit you make when you open your account. One bank might require you to have at least $5 to open your account and another might require a deposit of $25 or more. A bank might also have a minimum savings account that it requires before you can start earning interest. One bank might require that you have $50 in your account before you can start earning interest, another bank might require only five dollars.

All of the above information--location, hours, amount of interest and minimum initial deposit required--can be found out by calling the banks or savings and loans that you are interested in. Once you have all of this information, choose the company that is most convenient for you and which pays the best interest.

Types of Accounts

Once you have chosen a bank or savings and loan, you will have to decide what kind of account you want. Below are short descriptions of the types of accounts available.

1. Individual Account. With an Individual Account, you and you alone will be making deposits into and withdrawals from the account. Some banks do not allow persons under the age of 18 to have an Individual Account.

2. The Two Party Joint Trust, subject to order of either (with right of survivorship) means that two people can deposit money into and withdraw money from an account. If one of the two dies, the other automatically takes the account over. If you want to open an account, make sure that whoever is

going to share the account with you is present when you open your account.

3. The Two Party Joint Trust, subject to one order (with right of survivorship) means that two people are involved in the account, but only one actually uses the account. The second person is important only if the first person dies. If that happens, the second person takes over the account. The second person is considered to be the first person's beneficiary. That is, if the first person dies, the second person will receive the money from the account. This type of account is often used when a minor opens an account and names one of his parents as the beneficiary. In this case, the second person should also be present when the account is opened.

Depending on the bank, you may also be given a choice between a passbook account and a statement account. You will receive the same amount of interest in both accounts. The only difference is in how the savings are computed.

In a passbook savings you are given a passbook--a small notebook in which all your deposits and withdrawals will be recorded. You will need to have it with you for all deposits and withdrawals. If you happen to lose it, tell the company immediately. When you use a passbook savings account, you might receive one statement from the bank each year to show the business you did with the bank during that year.

The statement savings account system is quite different from the passbook system. With the statement system, the bank sends you a statement every month or every quarter. With this kind of

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account, you simply fill out a deposit or withdrawal slip when you want to add to or subtract from your account. In return, you will receive a receipt. Since there is no passbook, you will be given a statement savings card on which it will be up to you to keep a record of your deposits and withdrawals. When the bank sends you a statement of your savings, it is up to you to make sure that your record matches the bank's record.

Below are several Learning Activities. Do 2 of the 3 activities. Then, go on to Check Your Knowledge.

LEARNING ACTIVITIES

1. Which of the following banks would you keep your money in? Why?

   Bank A: This bank is open Monday-Friday from 9:00 A.M. to 2:00 P.M. It is located 5 miles from your home and pays 4.5% interest. In order to open an account, you need a minimum initial deposit of $100.00.

   Bank B: This bank is open 9:00 A.M. to 4:00 P.M., Monday through Friday. It is located 15 miles from your home and pays 5% interest compounded monthly. A minimum initial deposit of $5.00 is required.

   Bank C: This bank is open 9:00 A.M. to 3:00 P.M., Monday through Friday and on Saturday mornings. It is located 2 miles from your home and pays 5% interest compounded daily. A minimum initial deposit of $5.00 is required.

2. List 3 advantages to keeping your money in the bank.

3. Word Puzzle. Once you have completed the puzzle on the next page, you will find a wise old saying written onto the answer dashes. (Get a copy from your teacher.) First: Fill in the words in the words column, using the definitions. Second: Transfer these letters to the answer dashes by matching the numbers. Third: If you find that a certain number, for example 3, stands for a letter, such as A, then write A above 3 everywhere in the puzzle. However, a letter might have more than one number. For example, number 7 might also stand for A.

Definitions	Words
What you put in the bank.	15 25 13 18 5
Interest on interest.	16 20 20 30 31 4 32
Type of account.	33 2 6 22 23
	8 30 31 19 23
Money put into the bank.	32 10 26 2 19 6 23
Record of deposits.	26 16 19 24 11 2 25 14
Safest place for money.	29 12 3 17
Money earned on money.	28 7 8 4 30 10 19 8
Take money out.	27 6 8 9 32 30 16 27
Account where you keep your own record.	19 8 12 8 18 1 21 3 8

Answer:

1 2 3 4 5 6 7 8 9 10 11 12 13 14

15 16 17 18 19 20 21 22 23 24

✓CHECK YOUR KNOWLEDGE

1. What are the 3 kinds of savings accounts that you might open?
2. Name at least 3 things you should consider when deciding on a bank.
3. What is one difference between a passbook account and a statement account?

Check your answers with your teacher. If you had any problems, review the unit. If you are interested in opening a savings account, do the Alternate Activities.

ALTERNATE ACTIVITIES

Do the following on a separate sheet of paper:

1. With the help of the Yellow Pages, write down the names, addresses and phone numbers of three banks and three savings and loan associations in your area.

2. Call the banks and savings and loan companies (from the phone numbers you wrote down in exercise #1) and ask each of them the following questions:

   a. What hours are they open to the public? Make sure you ask what nights they are open and whether or not they are open on Saturdays.

   b. How much interest do they pay? Make sure you find out whether the company compounds its interest daily, monthly, quarterly, or annually. Also find out if the bank or savings and loan has a waiting period before it starts paying interest.

   c. How much is the minimum initial deposit? Also find out whether or not the company has a minimum amount you must deposit before you can start collecting interest.

3. The American Bankers Association has a number of publications on savings accounts, on other bank services and on saving, spending and borrowing money. If you are interested in obtaining any information, the address is:

American Bankers Association
1120 Connecticut Avenue
Washington, D.C. 20036

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STUDENT OBJECTIVES

Once you have finished reading this section of the Packet, you should be able to explain how to:

- Open an account.
- Make deposits and withdrawals.
- Compute your balance.
- Use the various after-hours facilities banks provide.

ALL ABOUT ACCOUNTS

There are two things you should know when you open an account. First of all, you should remember that the company you are doing business with is happy to have you as a customer. After all, without customers, there would be no bank. Don't be afraid to talk to bank employees if you have questions--that's what they are there for! Secondly, you should remember to have the right information with you before you leave for the bank. Information you will need includes:

1. Some form of identification. A bank could ask you for two identification cards, although a driver's license is usually all that is needed. If you are less than 18 years old, you will probably need only one type of ID.

2. Your address. This includes your address number and street and your city, state and zip code.

3. Your social security number. If you have your social security card, bring it along. If you don't have it, make sure that you have the number.

4. Your place of employment (if you work). Make sure that you have the same information for this as you do for your address.

5. Your home telephone number.

6. Your work telephone number.

Along with this information, you will need to bring your money to the bank. Your money can either be in the form of cash or a check made out to you.

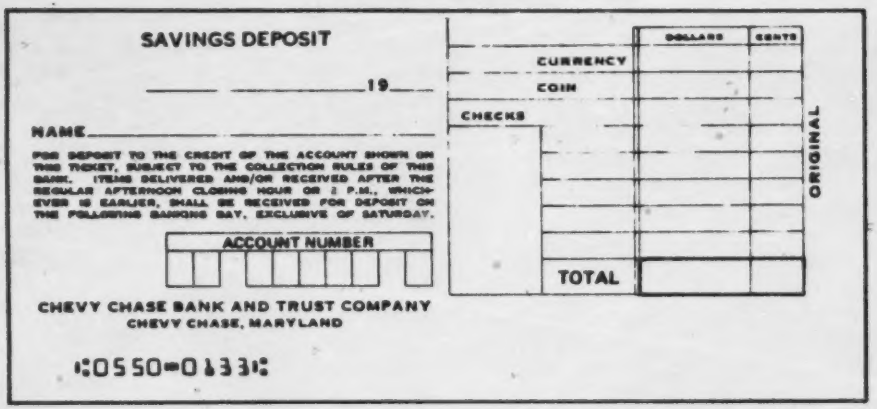
When you enter the bank, you will probably see some desks off to one side. Approach a person at one of the desks and explain that you want to open a savings account. You will be directed to the new accounts person. The new accounts person will ask you what kind of account you want and how much your initial deposit will be. He may then ask you to sign your name on a signature card. Once you have done this, you will be directed to one of the bank tellers. Each teller has a station at the main counter. The bank tellers are responsible for taking in and giving out money, and will take your deposit.

Deposits

When you make your initial deposit, and deposits thereafter, there is a certain procedure you must follow. To make a deposit, you will have to fill out a savings deposit form (see Example 1). On this form, you will have to give

the date, your name, your account number and the amount of your deposit. You can deposit cash or

EXAMPLE 1


SAVINGS DEPOSIT

_____ _____ 19___

NAME _____

FOR DEPOSIT TO THE CREDIT OF THE ACCOUNT SHOWN ON THIS TICKET, SUBJECT TO THE COLLECTION RULES OF THIS BANK. ITEMS DELIVERED AND/OR RECEIVED AFTER THE REGULAR AFTERNOON CLOSING HOUR OR 3 P.M., WHICHEVER IS EARLIER, SHALL BE RECEIVED FOR DEPOSIT ON THE FOLLOWING BANKING DAY, EXCLUSIVE OF SATURDAY.

ACCOUNT NUMBER

CHEVY CHASE BANK AND TRUST COMPANY
CHEVY CHASE, MARYLAND

:0550-0133:

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS		
TOTAL		

ORIGINAL

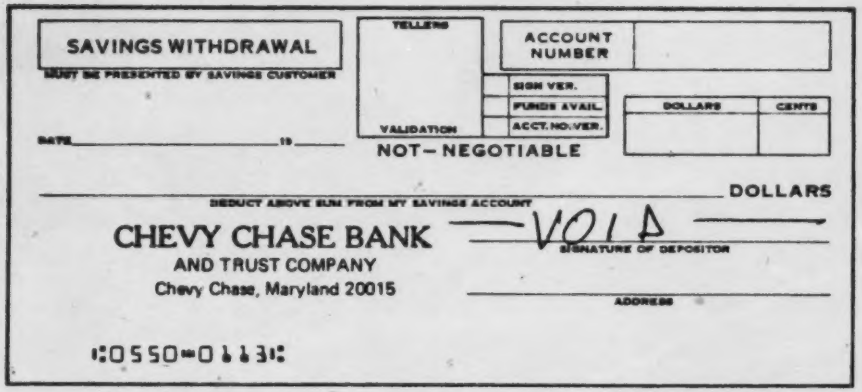
a check. A check could be in the form of a paycheck, a gift from your parents or some money that a friend owes you. Begin listing your checks in the space next to the box marked "checks." Currency is the amount of money in paper dollars that you wish to deposit. Coin is the total amount of pennies, nickels, dimes, quarters, fifty cent pieces and silver dollars you wish to put into your account. List each in its appropriate box. When you have all of your amounts listed, add them together and put the sum at the bottom next

to the word "total." If you have a passbook account, the amount of the deposit will be entered in your passbook. If you have a statement account, you will be given a receipt stating the amount of the deposit.

One problem you might have with your account is that you just can't make it to the bank during its regular working hours. In that case, you might want to bank by mail. While bank procedures for banking by mail may vary, there is one thing all banks warn--never send cash through the mail--there is a good chance that it won't get there.

Withdrawals

To withdraw money from a passbook or statement account, you will have to fill out a withdrawal slip. On this slip, you will have to write the date, your address, your account number, and the amount of money you want to withdraw. You will also have to sign the slip. On the next page is a sample withdrawal form. If you have a passbook account, you will be required to have your passbook with you when you make a withdrawal.


SAVINGS WITHDRAWAL
MUST BE PRESENTED BY SAVINGS CUSTOMER
TELLER'S
VALIDATION
ACCOUNT NUMBER
SIGN VER.
FUNDS AVAIL.
ACCT. NO. VER.
DOLLARS
CENTS
DATE _____ 19 ____
NOT-NEGOTIABLE
_____ DOLLARS
DEDUCT ABOVE SUM FROM MY SAVINGS ACCOUNT
CHEVY CHASE BANK
AND TRUST COMPANY
Chevy Chase, Maryland 20015
VOID
SIGNATURE OF DEPOSITOR
ADDRESS
:0550-0113:

Some banks might charge you a penalty if you make too many withdrawals in a certain period of time. If your bank does this, it is best to plan your withdrawals so that you will avoid the penalty.

Computing the Balance

If you have a statement account, it is up to you to compute the balance once you have made a deposit or withdrawal. (Your balance is the amount of money you have in a savings account at a given time.)

Let's use Example 2 to see how to compute the balance.

This savings account was begun on January

EXAMPLE 2

PLEASE USE YOUR ACCOUNT NUMBER ON ALL DEPOSITS AND WITHDRAWALS

ACCOUNT NO 01[illegible]

DATE	DEPOSIT	WITHDRAWAL	BALANCE
1-4	200		200
1-8	67.50		267.50
1-18	25.00		292.50
1-31		54.00	238.50

4 when an initial deposit of $200 was made. On January 8, the account's owner made a deposit of $67.50. Since deposits are added on to the balance, the new balance was $200.00 + $67.50 = $267.50. On January 18, the account's owner deposited $25. Since deposits are added to the balance, the new balance was found to be $267.50 + $25.00 = $292.50.

On January 31, however, the owner withdrew $54. When you withdraw money from an account, you subtract that amount from the balance. The new balance was $292.50 - $54.00 = $238.50.

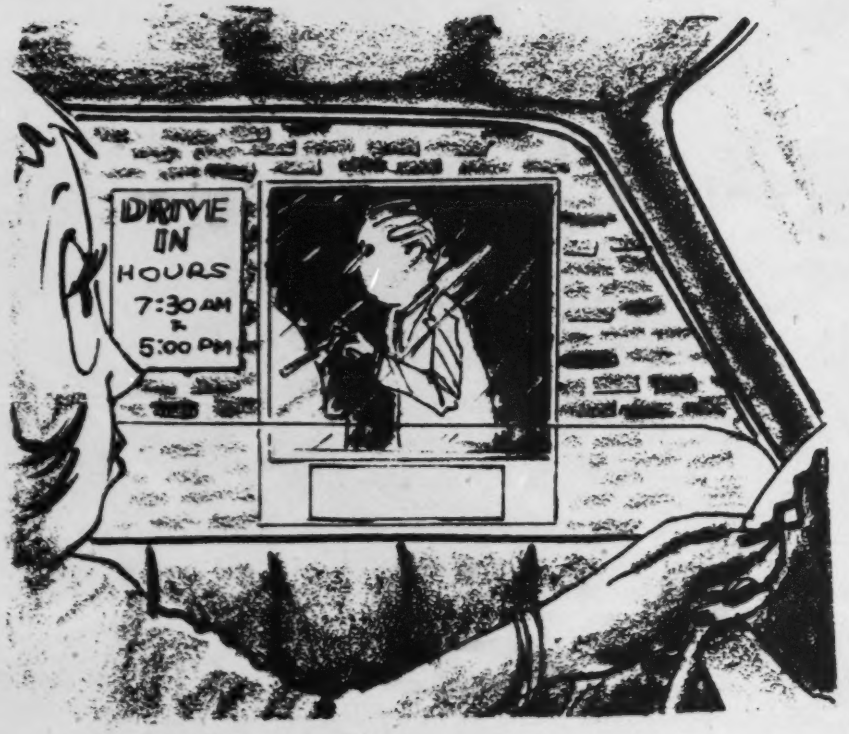
Special Services

Banks and savings and loans offer a number of special services aimed at making banking more convenient. Become familiar with your bank's services--they can save you time and trouble. Below is a list of special services which banks may offer.

Automated Teller Machines. Automated teller machines can make deposits and withdrawals just like a regular teller can, plus they are on duty 24 hours a day. However, these are new machines, and there is a good chance that your bank does not yet have one. If it does, there are a few things you should know before you use one. For one thing, withdrawal amounts are normally only given in bills of a certain kind. One machine, for example, only makes withdrawals in $20 bills. These machines require a small magnetic card (which you will be given by the bank) in order to operate.

Night Depositories. Night depositories allow you to make deposits 24 hours a day by simply placing your deposit and your deposit slip inside a curved tray that sends your money into a container inside the bank. You cannot take money from the night depositories.

Walk-Up Windows. Many banks offer a walk-up



or drive-in window that stays open after normal business hours. You can make simple deposits and withdrawals at this window. While this is not a 24 hour service, it does allow you to do your business in the evenings. However, you can only open an account during regular office hours.

Bank by Mail. One way to make sure that your money gets into your account is to have your

paycheck sent directly from the place that you work to the bank. The bank will automatically place the money in your savings account. (You should check with your employer, since your company might not be willing to send paychecks directly to banks.)

Christmas Club. Another savings plan you might be interested in is the Christmas Club. Christmas Club members begin making deposits early in the year and continue to make them on a regular basis. Once Christmas comes near, the bank sends the savings back to you. One reason that you might not want to join a Christmas Club is that it pays little or no interest.

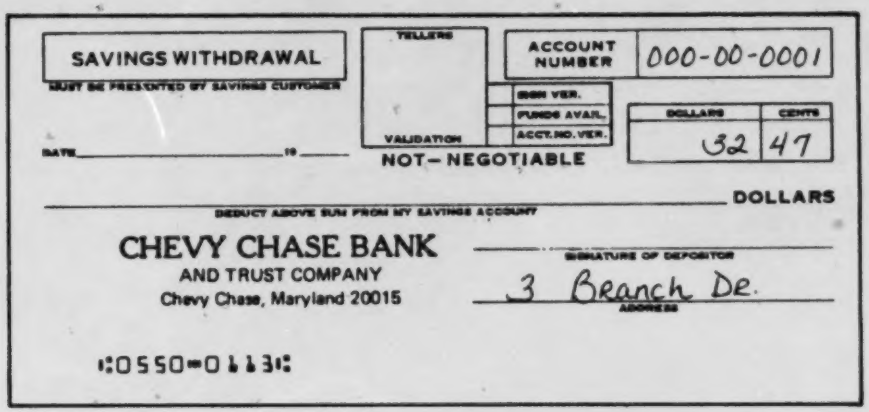
Savings Certificates. As you start saving money on a regular basis, new worlds may open up to you. You might wish to purchase long-term certificates so that you can collect a greater interest on your money. One plan, for example, would require you to keep $500 in a bank for six months. At the end of that time, when the certificate is said to have matured, you receive your money plus a 5.5% interest, or approximately $513.74. Certificate plans can last anywhere from six months to six years or longer.

There is one thing that you should remember about certificate plans, however. Once you put your money into a plan, you may as well forget about it until it matures. If you decide to take the money out before that time, your interest rates will be cut way down.

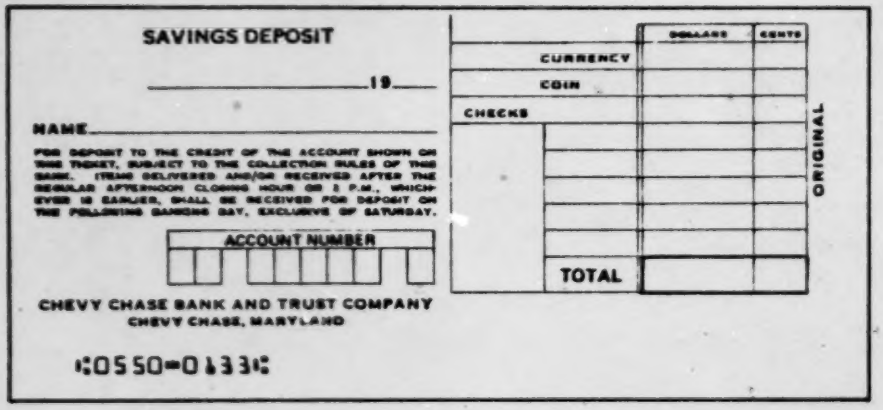
Below are 3 Learning Activities. Do at least 2 of the activities. Then, go on to Check Your Knowledge.

LEARNING ACTIVITIES

1. What information is missing from this withdrawal slip?


SAVINGS WITHDRAWAL
MUST BE PRESENTED BY SAVINGS CUSTOMER
TELLER'S
VALIDATION
SIGN VER.
FUNDS AVAIL.
ACCT. NO. VER.
ACCOUNT NUMBER 000-00-0001
DOLLARS 32 CENTS 47
DATE _____ 19 ____
NOT-NEGOTIABLE
DEDUCT ABOVE SUM FROM MY SAVINGS ACCOUNT
DOLLARS
CHEVY CHASE BANK
AND TRUST COMPANY
Chevy Chase, Maryland 20015
SIGNATURE OF DEPOSITOR
3 Branch Dr.
ADDRESS
:0550-0133:

2. Fill in the deposit slip below as if you were going to deposit a $15.00 check, a $10.00 check and $5.00 in cash. (Get a copy from your teacher.)


SAVINGS DEPOSIT

_____ 19____

NAME_____

FOR DEPOSIT TO THE CREDIT OF THE ACCOUNT SHOWN ON THIS TICKET, SUBJECT TO THE COLLECTION RULES OF THIS BANK. ITEMS DELIVERED AND/OR RECEIVED AFTER THE REGULAR AFTERNOON CLOSING HOUR OR 3 P.M., WHICHEVER IS EARLIER, SHALL BE RECEIVED FOR DEPOSIT ON THE FOLLOWING BANKING DAY, EXCLUSIVE OF SATURDAY.

ACCOUNT NUMBER

CHEVY CHASE BANK AND TRUST COMPANY
CHEVY CHASE, MARYLAND

:0550-0133:

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS		
TOTAL		

ORIGINAL

3. Compute the balance after each deposit and withdrawal. (Get a worksheet from your teacher.)

PLEASE USE YOUR ACCOUNT NUMBER ON ALL DEPOSITS AND WITHDRAWALS

ACCOUNT NO 12-345-67

DATE	DEPOSIT	WITHDRAWAL	BALANCE
1-4	201.88		
1-18	55.21		?
2-2	68.24		?
2-8		74.07	?
2-24		25.00	?
3-6	85.17		?
3-20	104.41		?
4-10		67.00	?
4-29	36.36		?

✓CHECK YOUR KNOWLEDGE

1. State the major advantage and the major disadvantage of certificate savings.
2. Why might it be necessary to plan your withdrawals?
3. How do you go about opening a savings account?

Choose the best answer:

4. In the middle of the night you can make a deposit at

   a. a depository.
   b. the bank lobby.
   c. a walk-up window.
   d. any of the above.

5. Which of the following might only allow withdrawals in $20 bills?

   a. Savings and loan.
   b. Automated teller machine.
   c. Walk-up window.
   d. Banking by mail.

6. Which of the following requires a small magnetic card?

   a. Bank teller.
   b. Night depository.
   c. Automated teller machine.
   d. None of the above.

Check your answers with your teacher. If you had any problems, review the unit. Then, if you want, do the Alternate Activity. Be sure to check over Words to Know.

ALTERNATE ACTIVITIES

1. On a card, write down all the information you will need to open an account. When you go to the bank to open your account, take this card with you.

WORDS TO KNOW

Accrued interest - interest earned on interest.

Balance - the amount of money in the account.

Beneficiary - the person named to receive money in case of the death of another person.

Compound - to pay interest on both the accrued interest and the amount deposited.

Currency - paper dollars.

Deposit - money put into the bank.

Interest - the amount of money the bank pays you on your money.

Minimum initial deposit - the amount of money required to open an account.

Passbook - a small notebook which is a record of your deposits and withdrawals.

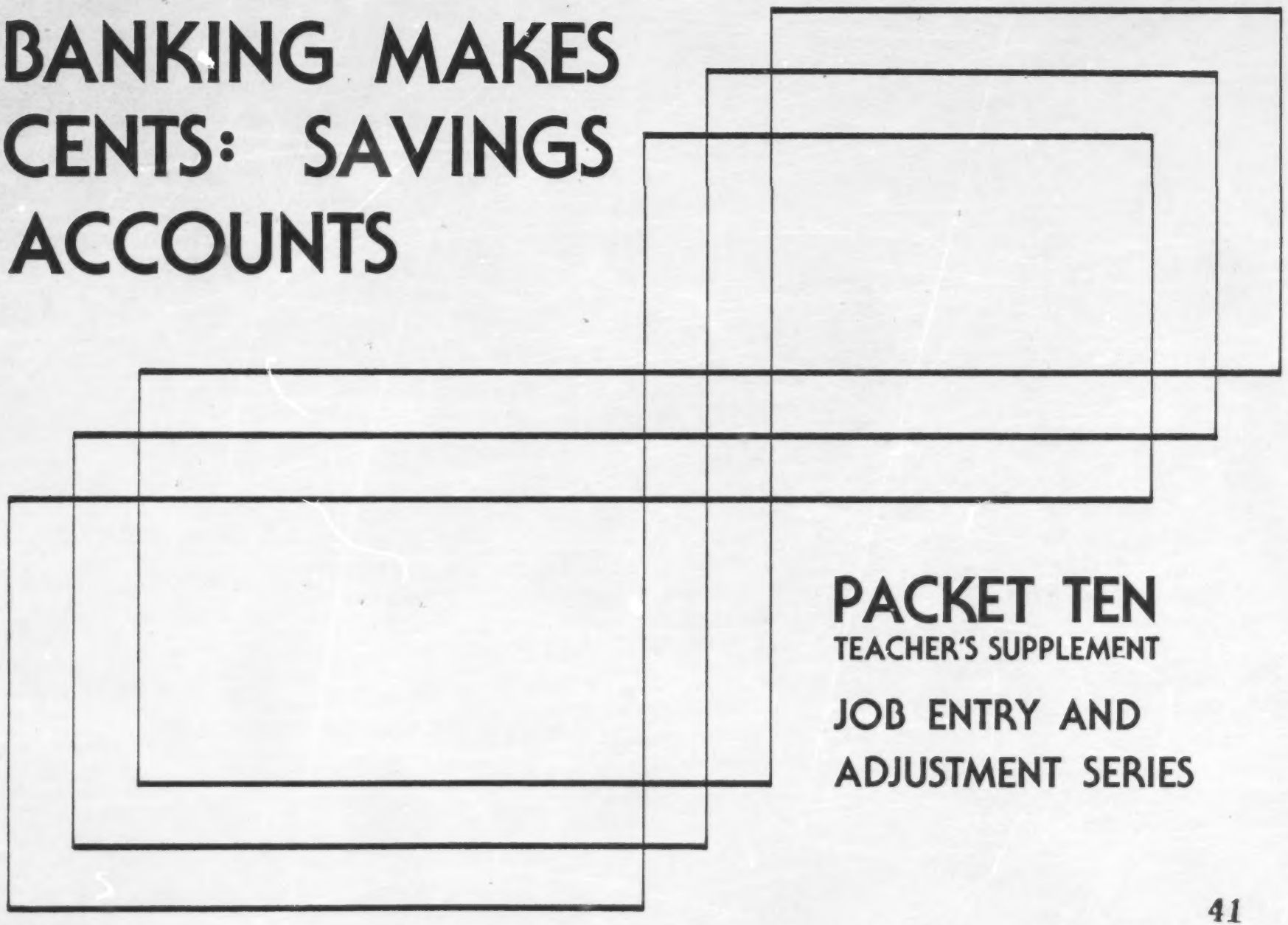
Statement savings account - bank sends a record of business every month or every 3 months. There is no passbook.

Teller - the bank official who handles deposits and withdrawals.

Withdrawal - money removed from the bank.

You have now completed Packet 10. It would be a good idea to review the entire Packet before taking the final exam.

BANKING MAKES CENTS: SAVINGS ACCOUNTS



PACKET TEN

TEACHER'S SUPPLEMENT

JOB ENTRY AND ADJUSTMENT SERIES

COOPERATIVE WORK EXPERIENCE LEARNING ACTIVITY PACKET

SERIES ON JOB ENTRY AND ADJUSTMENT

Supplement to Packet Ten

BANKING MAKES CENTS: SAVINGS ACCOUNTS

A project of the Department of Industrial Education, University of Maryland
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PAGE 8

Answers to

LEARNING ACTIVITIES

1. Bank C is the best choice, since it has the best location, has Saturday hours, requires a low minimum deposit and has the best interest rate.

2. -Bank pays you interest.
   -Bank provides safety.
   -Bank makes it easier to save.

3. Word puzzle ditto and answers can be found on page 10B.

16

1. Date
   Signature
   Amount written out

17

2. Deposit slip ditto and answers can be found on page 10C.

3. Deposit record ditto and answers can be found on page 10C.

Answers to

✓CHECK YOUR KNOWLEDGE

9

1. -an Individual Account.
   -a Two Party Joint Trust, subject to order of either.
   -a Two Party Joint Trust, subject to one order.

2. Must be at least 3 of the following:

   -Location
   -Banking hours (including after-hours features)

-Amount of interest paid to depositors (and how interest is compounded)
-Amount of minimum initial deposit

9

3. Can be either 1 of the following:

   -Passbook transactions are recorded in a passbook by the teller. Statement transactions are recorded on a statement which the customer receives every month or every quarter.
   -In a passbook account, the balance is computed by the bank in the passbook. In a statement account, the individual must keep track of the balance between statements.

17

1. Major advantage: high interest.
   Major disadvantage: money cannot be withdrawn from the plan for a specified amount of time.

2. Because you may be charged if you make too many withdrawals within a certain period of time.

3. By taking the correct information and your money into a bank and asking to open an account.

4. a

5. b

6. c

Final examination and answers can be found on pages 10D and 10E.

Answers to
Learning Activity #3
Pages 8-9, Packet 10

M O N E Y
15 25 13 18 5

A C C R U E D
16 20 20 30 31 4 32

J O I N T T R U S T
33 2 6 22 23 8 30 31 19 23

D E P O S I T
32 10 26 2 19 6 23

P A S S B O O K
26 16 19 24 11 2 25 14

B A N K
29 12 3 17

I N T E R E S T
28 7 8 4 30 10 19 8

W I T H D R A W
27 6 8 9 32 30 16 27

S T A T E M E N T
19 8 12 8 18 1 21 3 8

Answer:

M O N E Y I N T H E
1 2 3 4 5 6 7 8 9 10

B A N K M A K E S
11 12 13 14 15 16 17 18 19

C E N T S.
20 21 22 23 24

Ditto for student use →

10B

Learning Activity #3
Word Puzzle
Pages 8-9, Packet 10

3. Word Puzzle. Once you have completed the puzzle below, you will find a wise old saying written onto the answer dashes. First: Fill in the words in the words column, using the definitions. Second: Transfer these letters to the answer dashes by matching the numbers. Third: If you find that a certain number, for example 3, stands for a letter, such as A, then write A above 3 everywhere in the puzzle. However, a letter might have more than one number. For example, number 7 might also stand for A.

Definitions

What you put in the bank.
15 25 13 18 5

Interest on interest.
16 20 20 30 31 4 32

Type of account.
33 2 6 22 23 8 30 31 19 23

Money put into the bank.
32 10 26 2 19 6 23

Record of deposits.
26 16 19 24 11 2 25 14

Safest place for money.
29 12 3 17

Money earned on money.
28 7 8 4 30 10 19 8

Take money out.
27 6 8 9 32 30 16 27

Account where you keep your own record.
19 8 12 8 18 1 21 3 8

Answer:
1 2 3 4 5 6 7 8 9 10 11 12 13 14

15 16 17 18 19 20 21 22 23 24.

10B

Answers to
Learning Activities #2 and #3
Page 17, Packet 10

2.

SAVINGS DEPOSIT

May 17 19 77

NAME Jane Doe

FOR DEPOSIT TO THE CREDIT OF THE ACCOUNT SHOWN ON THIS TICKET, SUBJECT TO THE COLLECTION RULES OF THIS BANK. ITEMS DELIVERED AND/OR RECEIVED AFTER THE REGULAR AFTERNOON CLOSING HOUR OR 3 P.M., WHICHEVER IS EARLIER, SHALL BE RECEIVED FOR DEPOSIT ON THE FOLLOWING BANKING DAY, EXCLUSIVE OF SATURDAY.

ACCOUNT NUMBER 00 0 0 0 0 0 1

CHEVY CHASE BANK AND TRUST COMPANY
CHEVY CHASE, MARYLAND

:0550-0133:

	DOLLARS	CENTS
CURRENCY	5	00
COIN		
CHECKS	15	00
	10	00
TOTAL	30	00

ORIGINAL

3.

PLEASE USE YOUR ACCOUNT NUMBER ON
ALL DEPOSITS AND WITHDRAWALS
ACCOUNT NO. 12-345-67

DATE	DEPOSIT	WITHDRAWAL	BALANCE
1-4	201.66		201.66
1-18	55.21		256.87
2-2	68. 24		325.11
2-8		74.07	251.04
2-24		25.00	226.04
3-6	85.17		311.21
3-20	104.41		415.62
4-10		67.00	348.62
4-28	36.36		384.98

Ditto for student use →

10C

Learning Activities #2 and #3
Page 17, Packet 10

2. Fill in the deposit slip below as if you were going to deposit a $15.00 check, a $10.00 check and $5.00 in cash.

SAVINGS DEPOSIT

19

NAME

FOR DEPOSIT TO THE CREDIT OF THE ACCOUNT SHOWN ON THIS TICKET, SUBJECT TO THE COLLECTION RULES OF THIS BANK. ITEMS DELIVERED AND/OR RECEIVED AFTER THE REGULAR AFTERNOON CLOSING HOUR OR 3 P.M., WHICHEVER IS EARLIER, SHALL BE RECEIVED FOR DEPOSIT ON THE FOLLOWING BANKING DAY, EXCLUSIVE OF SATURDAY.

ACCOUNT NUMBER

CHEVY CHASE BANK AND TRUST COMPANY
CHEVY CHASE, MARYLAND

:0550-0133:

	DOLLARS	CENTS
CURRENCY		
COIN		
CHECKS		
TOTAL		

ORIGINAL

3. Compute the balance after each deposit or withdrawal.

PLEASE USE YOUR ACCOUNT NUMBER ON
ALL DEPOSITS AND WITHDRAWALS
ACCOUNT NO. 12-345-67

DATE	DEPOSIT	WITHDRAWAL	BALANCE
1-4	201.66		
1-18	55.21		
2-2	68. 24		
2-8		74.07	
2-24		25.00	
3-6	85.17		
3-20	104.41		
4-10		67.00	
4-28	36.36		

10C

Answers to
Final Exam
Packet 10

1. -it earns interest in the bank.
   -it is safer than at home.
   -easier to build up a nice savings.

2. a. Bank's location should be convenient to work or home so that it will be easy to transact business there.

   b. Some banks pay more interest than others. It is to your advantage to find a bank with good interest rates, since the account will grow faster.

   c. Some banks may require a minimum initial deposit which is more than you can afford.

3. Interest so far accumulated.

Ditto for student use →

10D

Final Exam
Packet 10

1. List 3 reasons for keeping your money in a savings account.

2. Explain why each of the following should be considered before choosing a bank:

   a. location

   b. interest paid

   c. minimum initial deposit required

3. What is meant by "accrued interest"?

10D

Answers to
Final Exam
Packet 10

4. F

5. T

6. F

7. T

8. F

9. Can be any 2 of the following:

-By using an automated teller machine.

-By using a night depository.

-By mailing your deposit.

Ditto for student use →

10E

Final Exam
Packet 10

TRUE-FALSE. Circle the correct answer.

4. T F It is okay to send cash through the mail if you send it air mail.

5. T F One disadvantage of using long-term certificates is that you must leave your money with the bank for a long time.

6. T F One good thing about belonging to a Christmas Club is that the interest is so high.

7. T F When you want to make a deposit or a withdrawal, you should go to the bank teller.

8. T F With an individual account, your parents can make withdrawals for you.

9. List two ways in which you can make deposits without dealing with a bank teller.

10E